

THE WHITE HOUSE

WASHINGTON

CABINET COUNCIL ON MANAGEMENT AND ADMINISTRATION

Meeting #5
December 8, 1982, 3:00 p.m.
Roosevelt Room

MINUTES

Attendees: Messrs. Meese, Schweiker, Harper, Devine, Carlucci, Fiske, Trent, Wright, Kline, Bledsoe, Sowle, Davis, Jenkins, Cribb, Baroody, Cicconi, Russo, Helm, Bellis, Ms. Dunlop

1. Work Space Management Initiative (CM #311)

Mr. Kline briefed the Council on the amount and costs of Federal work space, described GSA's effort to reduce costs and improve management of space under its control, and recommended Council endorsement of a proposed Presidential initiative covering all Federal work space.

The Federal government owns or leases 2.9 billion square feet, of which 526 million square feet is office space. GSA is streamlining its regulations and replacing detailed space allocation standards with a standard of 135 square feet per person. In response to a question from Secretary Schweiker, Mr. Kline said that the private sector average is 110 to 150 square feet.

GSA-controlled space represents only a part of total Federal space resources and costs. GSA's proposed Presidential Space Management Initiative would establish government-wide planning, information reporting, and responsibility that is currently lacking. The initiative would require agency heads to prepare a comprehensive space management plan which relates to projected employment levels and shows progress toward the new space standard. GSA would coordinate and monitor space resources and would work with agencies to develop a system to collect and report information about those resources. Summary reports would be presented periodically to the Council. Secretary Schweiker, Mr. Meese and other participants voiced concern that making agencies responsible for out-of-pocket costs on unused space might create disincentives for reducing agency work space.

Action: The Council approved the initiative, subject to modification in view of the concern about disincentives, and asked GSA to prepare it for presentation to the President at the next Council meeting.

2. Classification Standards - Contract and Procurement Series; Librarian Series

Mr. Devine described the classification system and his role in it, cited examples of previous controversies over classification and

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qualification standards, and identified the costs of overgrading and credentialism as among the key issues surrounding the proposed standards for the Contract and Procurement Series. He argued that the standards had been developed in accordance with the requirements of the Factor Evaluation System, and therefore should be supported and issued. He suggested other approaches to meet the concerns raised about the standards.

Mr. Harper identified reasons why job standards can be controversial and emphasized the importance and unique nature of many Federal procurement jobs. Mr. Carlucci agreed, saying that DOD spends \$74 billion a year in procurement, and that contracting officers have a major impact on the spending of that money. According to Mr. Carlucci, DOD and OPM disagree on essential facts, e.g., DOD believes that many procurement jobs will be downgraded as a result of the standards.

Mr. Sowle commented on the process by which the standards had been developed and on the key substantive issues that had been raised. He emphasized the importance of this issue to larger reform efforts to improve the Federal procurement system and the caliber of people working in it.

Action: After additional discussion, the Council decided on the following steps, as outlined by Mr. Meese:

- a. OPM will stay the proposed standards for the Contract and Procurement series.
- b. OPM will convene an interagency team to reach a better accommodation of views on the Contract and Procurement standards. The team will include high-level OPM and agency officials who have a strong, general management perspective. The team might consider obtaining advice from the private sector.
- c. The team should reach consensus on the standards. If that is not possible, the team should identify areas of factual agreement and disagreement, and develop a refined set of specific issues and options for Council consideration. Mr. Devine will report to the Council on results of this effort.
- d. The team should give special consideration to the problems of credentialism, overgrading and other issues raised in Mr. Devine's presentation to the Council.

The Council did not specify actions on the Librarian standards, but did express interest in clearing up major generic or process issues in the classification system as a whole.

3. Debt Collection (CM #100)

Mr. Wright distributed and briefly reviewed a paper on this subject. He noted that debt collection represents a severe budget as well as

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management problem. Growth of the Federal debt portfolio has slowed from an average of 18% annually to 9% in FY 82. Delinquencies are increasing at an alarming rate and write-offs increased at a higher rate in FY 82 than FY 81. A specific strategy has been developed to deal with problems that persist in the agencies, such as unreliable data systems and ineffective collection approaches.

Action: Mr. Meese asked Mr. Wright to discuss this subject at the next Council meeting with the President.